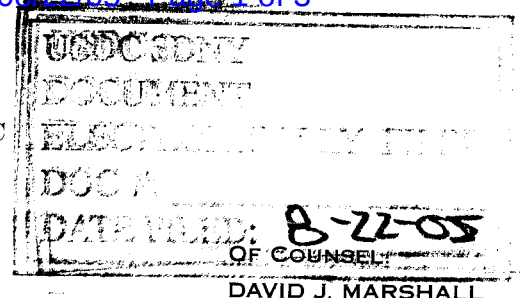


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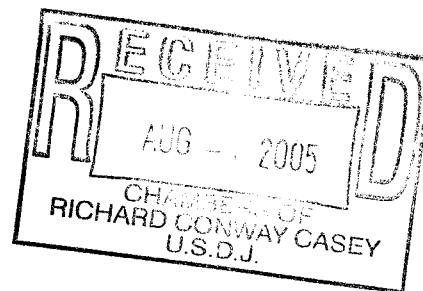


+ ADMITTED IN MD ALSO
o ADMITTED IN NY ALSO
o ADMITTED IN CA ALSO
* ADMITTED IN WI ONLY
* ADMITTED IN MD ONLY

By Federal Express
August 4, 2005

MEMO ENDORSED

Honorable Richard Conway Casey
U.S. District Judge
U.S. District Court for the Southern District of New York
500 Pearl Street,
New York, NY 10007-1312



Re: In re Terrorist Attacks on Sept. 11, 2001, No. 03 MDL 1570 (RCC)

Dear Judge Casey:

I am writing to inform you of the status of the parties' compliance with your July 14, 2005 Order regarding the briefing schedule for several Saudi defendants whom we represent.¹ We have worked in good faith to negotiate with Scott Tarbuton, the Plaintiffs' Liaison Counsel, and we accepted the briefing schedule that the plaintiffs themselves proposed, with minor, non-substantive modifications. See Stipulation and Order (attached hereto as Exhibit 1). However, Andrew Maloney, an attorney for the *Ashton* plaintiffs – who was not involved with our negotiations – evidently has a disagreement with Mr. Tarbuton, and he now refuses to accept plaintiffs' own proposed briefing schedule. Defendants respectfully request that this Court endorse the plaintiffs' briefing schedule.

To summarize, on Thursday, July 21, I received an email from Scott Tarbuton, the Plaintiffs' Liaison Counsel, requesting that I contact him on Monday, July 25, to discuss a briefing schedule, and stating that "the plaintiffs are interested in consolidated briefing." See S. Tarbuton to A. Kabat (July 21, 2005) (attached hereto as Exhibit 2). I responded on July 25, suggesting that there be a briefing schedule tied to the filing of the final amended complaints.

¹ Our request applies to the following defendants: Saudi Arabian Red Crescent Society, Dr. Abdul Rahman Al Swailem, Saleh Al-Hussayen, Dr. Abdullah Al-Turki, Dr. Abdullah Al-Obaid, Safer Al-Hawali, Hamad Al-Husaini, Salman Al-Oadah, Talal M. Badkook, Dr. Adnan Basha, Shahir Batterjee, M.M. Badkook Company, Mushayt for Trading Establishment, Mohammed Ali Mushayt, and Dr. Abdullah Naseef.

Honorable Richard Conway Casey
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August 4, 2005
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However, I did not receive any response from Mr. Tarbutton, or any other plaintiffs' counsel, so on July 29, I submitted a proposed briefing schedule. Mr. Tarbutton responded that same day, stating that he "will have to forward this to the plaintiffs for their review and comments." See S. Tarbutton to A. Kabat (July 29, 2005) (attached hereto as Exhibit 3). After having done so, Mr. Tarbutton then submitted the plaintiffs' "revised stipulation addressing service of process and briefing schedules for your clients." See S. Tarbutton to A. Kabat (Aug. 2, 2005) (attached hereto as Exhibit 4). Mr. Tarbutton wrote that the plaintiffs' stipulation now "includes 3 paragraphs addressing service of process, a due date for all RICO Statements to be filed ... as well as a staggered briefing schedule." Id. I reviewed the plaintiffs' stipulation, and promptly informed Mr. Tarbutton that it was acceptable to defendants, after correcting several spelling errors, placing the case names in alphabetical order, and moving one paragraph to the end. See A. Kabat to S. Tarbutton (Aug. 2, 2005) (attached hereto as Exhibit 5).

Not until today, August 4, did we learn that Andrew Maloney, counsel for the *Ashton* plaintiffs, was going to veto the plaintiffs' own stipulation, which defendants had already accepted two days earlier. Evidently, Mr. Tarbutton had not circulated the plaintiffs' own stipulation among his co-counsel before sending it to us, and before we accepted it (contrary to his prior statements), or else Mr. Maloney had a disagreement with Mr. Tarbutton. Either is in clear derogation of Case Management Order No. 3, which calls for the plaintiffs to act in a coordinated manner through their committees.

At the time we accepted the plaintiffs' own stipulation, we were proceeding pursuant to this Court's Case Management Order, which sets forth procedures for the parties to act in a unitary manner. We were unaware that the plaintiffs were secretly reserving the right to reject their own proposal. Thus, on the very last day, Mr. Maloney vetoed the agreement that defendants had reached with Mr. Tarbutton, which is inconsistent with CMO No. 3 and with this court's expectations that each side act in a coordinated manner.

In light of the fact that defendants have accepted plaintiffs' own stipulation (after clerical modification), we respectfully request that this Court endorse the plaintiffs' stipulation, which is attached hereto as Exhibit 1.

We respectfully request your Honor's endorsement of this request.

Honorable Richard Conway Casey
U.S. District Judge
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Sincerely,

Alan R. Kabat

Alan R. Kabat
Counsel for Defendants Saudi Arabian Red Crescent
Society, et al.

Enclosures

cc: MDL 1570 Counsel (by e-mail)

The Court has reviewed the letters from Bernabei + Katz of August 4 + August 9, 2005; the August 8, 2005 letter from Mr. Tarbuton; the August 9, 2005 letter from Mr. Maloney; the August 11, 2005 letter from Mr. Kellogg; and the August 17, 2005 letter from MS. Arthur. The Court will not endorse Mr. Tarbuton's proposed order regarding service on counsel of record or the proposed stipulation submitted by Bernabei + Katz.

The parties have one week to work out their stipulations regarding service + scheduling of motions. If an agreement cannot be reached, any Defendant represented by Bernabei + Katz that contests service must make an appropriate motion by September 6, 2005. Plaintiffs will have two weeks to respond and Defendants will have one week to reply.

So ordered



August 22, 2005